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INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
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C O N F I D E N T I A L YEREVAN 000745

SIPDIS

DEPT FOR EUR/CARC; NSC FOR MARIA GERMANO

E.O. 12958: DECL: 09/16/2018
TAGS: [PGOV](#) [PHUM](#) [KDEM](#) [AM](#)
SUBJECT: OPPOSITION ASKS EMBASSY TO CONVEY PROPOSED
POLITICAL DEAL TO THE PRESIDENT

Classified By: CDA JOSEPH PENNINGTON REASONS 1.4(B)(D)

¶1. (C) David Shahnazarian, a close confidant of former president and current opposition leader Levon Ter-Petrosian (LTP), called on CDA September 16 to request that the embassy convey a proposal from LTP to reduce domestic political tension in Armenia. Shahnazarian said that the LTP camp was increasingly concerned by behind-the-scenes efforts by supporters of former President Robert Kocharian to force President Sargsian to appoint Kocharian as his prime minister. He added that while LTP and his supporters are not pleased by Sargsian's administration to this point, they believed that a return of Kocharian to a governing role would be "a disaster for us, a disaster for the President, and a disaster for Armenia." Shahnazarian claimed that Kocharian and "the Russians" had enlisted the help of various Armenian oligarchs, politicians, and media to increase pressure on the President to fire his reformist Prime Minister Tigran Sargsian (no relation to the President) and replace him with Kocharian.

¶2. (C) Given the "common interest" of LTP and President Sargsian in fending off a political comeback by Kocharian, Shahnazarian said the LTP camp is willing to forego street protests and other provocative opposition activities if President Sargsian releases over the next few weeks the roughly 75 opposition supporters who remain in jail in the aftermath of the March 1-2 events. Shahnazarian said the opposition "has nothing to gain by bringing people into the streets," but argued that LTP would be forced to do just that if the oppositionists remained in prison. If the President failed to take action on the prisoners, he said, there is a risk that LTP could "lose control" of the movement, thereby risking further instability. Shahnazarian also pledged that if the President were to release the prisoners, LTP would praise the gesture and not portray it as a "political victory" over Sargsian. He asked that we convey the proposed deal to the President's office.

¶3. (C) CDA discussed the LTP proposal in a September 17 meeting with Misha Minasian, the President's senior advisor (and son-in-law). Minasian listened carefully and pledged to pass the idea to the President. He cautioned, however, that President Sargsian would likely be skeptical given that the message came through Shahnazarian, whom Sargsian does not regard as a reliable interlocutor. The Charge noted our understanding that the proposal was the result of a direct conversation that Shahnazarian had with LTP, and could therefore be considered an offer from Ter-Petrosian himself. Minasian suggested that the opposition is weakening in any event judging by the reduced numbers at LTP's rally on September 15, but acknowledged at another point that LTP "still presents a problem" for the President. Although he did not directly address the opposition's hypothesis that Kocharian is trying to elbow his way back to power, he also made no effort to dispute the idea. CDA pointed out that President Sargsian had much to gain from releasing the

prisoners with or without a deal from the opposition -- LTP's apparent willingness to refrain from provocations is only one more reason to move forward. Minasian responded that he was confident the President would find a way to release significant numbers of the prisoners "over the next 1-2 months."

¶4. (C) Comment: LTP's offer is another sign that he has started to recognize that his path back to power has firmly and finally been blocked. Minasian may well be right in viewing the proposal as an effort by an increasingly desperate opposition to salvage a concession from the President as it becomes less relevant over time. LTP's implied threat to return to the streets in force later this fall will not cause as much concern at the Presidency as it would have several months ago. Nevertheless, if Sargsian has in fact made the decision to release the prisoners on his own timetable, the opposition offer could be a reason to accelerate that process. Separately, we have also flagged, in recent conversations with numerous government interlocutors, the issue of political prisoners as the single most important human rights and democracy priority in our bilateral relationship. End comment.
PENNINGTON